Measure Reforms Medicare to Prevent Scheduled 21 Percent Cut in Payments to Physicians

Washington, DC - Congressman Maurice Hinchey (D-NY) today helped the House pass a bill that will preserve seniors' access to their doctors by avoiding a major cut in Medicare payments to doctors that would have forced many of those physicians to stop seeing Medicare patients. The Medicare Physician Payment Reform Act will permanently reform the Medicare payment system -- repealing a 21 percent cut in payments to doctors scheduled to take place in January and replacing it with a stable system that protects seniors, preserves their relationship with their doctors and promotes primary care.

"This bill will help ensure that seniors continue to have access to the doctors they like," Hinchey said. "Without this bill, doctors would have seen their payments from Medicare cut by 21 percent, which would have resulted in many, if not most, of those doctors choosing to no longer see Medicare patients. This bill creates a fair system for doctors and gives seniors the comfort of knowing that their doctors will still participate in Medicare. Coupled with the broader health care reform bill we recently passed in the House, this measure ensures that Medicare recipients will receive improved benefits and enhanced care."

The Medicare Physician Payment Reform Act will prevent a 21 percent cut in Medicare physician payment rates scheduled for January 2010. Instead of temporarily overriding the cut as Congress has done six times before, the bill will replace the broken Sustainable Growth Rate (SGR) formula, correcting a decade of Republican mismanagement of the Medicare program with a permanent, sustainable solution. Ultimately, the legislation protects access to physicians for Medicare beneficiaries and members of the military and their families since physician payment rates in TRICARE, the military health system, are tied to those used by Medicare.

The bill builds on the historic health insurance reform bill the House passed earlier this month, which will lower premiums, extend the solvency of Medicare, improve preventive and primary care for seniors, close the "donut hole" drug coverage gap, and allow the federal government to negotiate with pharmaceutical companies in order to secure lower drug prices for seniors.